



Date: March 15, 2005

To: Gerald R. Miller, City Manager *MRM for*

From: Michael A. Killebrew, Director of Financial Management *DN for*

For: Members of the Budget Oversight Committee

Subject: Responses to February 15, 2005 Budget Oversight Committee Requests for Information

The second Budget Oversight Committee meeting of Fiscal Year 2005 meeting was held on February 15, 2005. The following information was developed in response to the Committees' questions during this meeting.

1) Contracting-out, Contracting-in and Optimization Process Summaries

Staff is prepared to make a comprehensive presentation detailing the above three issues during a future scheduled Budget Oversight Committee meeting, on a date convenient for the Committee members.

2) List of Public Information/Affairs Officers and Update of City Study

There are currently multiple staff in departments such as: City Manager; Fire; Harbor; Police; Parks, Recreation and Marine; and Public Works (Airport). The City is presently undergoing a series of employee-based optimization studies. This study will be scheduled in the future as staff time is available.

3) Parking Study Status

On March 4, 2005, the Department of Community Development prepared a memo for the Mayor and City Council entitled "City of Long Beach Parking Optimization Update". It is attached for your review as **Attachment A**.

4) Library Tax Review

This topic is scheduled for the March 15, 2005 Budget Oversight Committee meeting, during the discussion of New Funding Options.

5) Transportation Funding Summary

Please see **Attachment B** for a listing of Transportation related funding including allowable uses.

Should you require any further information, please do not hesitate to contact me.

Mayor and Members of the Budget Oversight Committee
March 15, 2005
Page 2

Attachments

GRM:MAK:sm

K:\Budget\FY05\BOC\Response to February 15th Meeting

cc: Mayor and Members of the City Council
Gary L. Burroughs, City Auditor
Christine F. Shippey, Assistant City Manager
Reginald I. Harrison, Deputy City Manager
Suzanne R. Mason, Deputy City Manager



Date: March 4, 2005
To: *M.R.M.* Gerald R. Miller, City Manager
From: Melanie S. Fallon, Director of Community Development *M.S.F.*
For: Mayor and Members of the City Council
Subject: City of Long Beach Parking Optimization Update

As part of the City's continuing efforts to improve the efficiency of various operations and in response to the Budget Oversight Committee, this memo outlines the review of our parking management system and revenue generated from these operations. This optimization review consists of a study on parking operations prepared by Carl Walker Incorporated (parking consultants) funded by the Redevelopment Agency, and a citywide parking audit prepared by the City Auditor which is on the City Council Agenda March 8, 2005.

The City manages eleven parking garages, 19 surface and approximately 3650 parking meters, excluding the Airport and other operations under contract (Pike, Queen Mary, etc.). These are managed at some level by four City departments, with day-to-day operations provided by two private contractors.

The City Auditor completed an independent financial audit of parking operations throughout the City that provides a comprehensive documentation of all City parking facilities and related revenue. It includes a number of specific recommendations relative to improving operations. The Walker study evaluated existing organization and management structure of various City parking resources. It provides recommendations relative to parking administration, management processes, organization, and use of technology.

To review the recommendations of the two reports and develop an implementation strategy, a Parking Facility Steering Committee has been created that is headed by Reginald Harrison, Deputy City Manager and includes representatives from Community Development, Technology Services, Public Works and the Auditor's Office. The first step in optimizing operations, as recommended by both Carl Walker and the City Auditor, is the hiring of a Parking Manager with the responsibility of improving citywide parking operations and increasing revenue.

Over the next forty-five to sixty days, it is anticipated a Parking Manager will be hired into the Department of Community Development. Working with the Steering Committee the new person will begin drafting an implementation plan using both the Walker and Auditor studies as a guide. When completed, specific recommendations will be forwarded to the Budget Oversight Committee and City Council for consideration and adoption.

SOURCES OF FUNDS FOR STREET IMPROVEMENT PROJECTS

Funding	Source Legislation	Allowable Uses	Example of Project Uses
TEA-21	1998 Federal Transportation Equity Act of the 21 st Century. Requires a portion of the Surface Transportation Program – Local funds be distributed to cities in Los Angeles County on a per capita basis. Specific projects are also identified for funding.	Primarily for construction, reconstruction, rehabilitation, resurfacing, restoration and operational improvements for streets and highways. Also capital costs for allowed transit projects, carpool projects, fringe and corridor parking facilities, bicycle and pedestrian walkways, highway and transit safety improvement programs	<ul style="list-style-type: none"> • Willow Street • Loynes Drive • Martin Luther King Blvd. • 4th and 5th Streets
State Gas Tax	This revenue is generated from the state gasoline tax which is \$0.18/gal. In accordance with section 2105, 2106, 2107 and 2107.5 of the California Streets and Highways Code.	These funds can be used for most street related purposes that will increase capacity and for repaving, including construction, maintenance and overhead costs. May also be used as matching funds to obtain larger one-time grants for street and highway improvements.	<ul style="list-style-type: none"> • Street Lighting – CLP • Major and secondary highway program, including Studebaker & Spring St. • Citywide residential street repair • Curb ramps
State AB2928	This is new, limited statewide funding for transportation based on state legislation enacted in September 2000 which temporarily transfers state sales tax on gasoline and diesel fuel from the State general fund to transportation.	These funds can be used for maintenance, rehabilitation, reconstruction, or damage repair on local streets and roads.	<ul style="list-style-type: none"> • Citywide residential street repair • Citywide slurry seal program • Major and secondary highway improvements
Proposition C	This is revenue generated from a ½ cent sales tax in LA County, approved by voters in 1990; 20% is allocated to the Local Return Program, which is distributed to cities on a per capita basis.	These funds are to be used to maintain, improve and expand public transit as well as reduce congestion and increase mobility. Revenues must be used for “public transit purposes”. May be used for street improvements supporting public transit service, Pavement Management System projects, public transit, Congestion Management Programs, bikeways and bike lanes, paratransit and related services.	<ul style="list-style-type: none"> • East-West Corridor Bus Speed Improvements • Major & Secondary Highway Improvements • Traffic Mitigation Program projects

SOURCES OF FUNDS FOR STREET IMPROVEMENT PROJECTS (continued)

Funding	Source Legislation	Allowable Uses	Example of Project Uses
TDA, Article 3	Transportation Development Act allocates $\frac{1}{4}$ -cent of the State sales tax to counties based on the amount of sales tax collected. Article 3 allocates up to 2% of total available TDA funds to cities based on population.	Article 3 funds are to be used on bicycle and pedestrian facilities and are often used as matching funds for larger grants.	<ul style="list-style-type: none"> • Enhanced pedestrian warning signs • Bicycle Master Plan • Various bikeway improvements • Downtown Bike Station
MTA Grants	This revenue is awarded by the MTA on a competitive basis through the Call for Projects process. Cities submit specific project applications which are then ranked and awarded funding to complete.	These funds are used for design, engineering and construction of projects on a competitive basis.	<ul style="list-style-type: none"> • East-West Corridor Bus Speed improvements • Bikeway and pedestrian improvements
CalTrans	Individual agreements for specific projects	Work done on State highways and freeways	
General Fund	City Budget Ordinance	Funds can be used for any projects approved by the City Council	<ul style="list-style-type: none"> • Street Lighting – CLP • Citywide residential street repair • Street sign replacement • Citywide infrastructure improvements
Traffic Mitigation Program	This revenue is generated from developers fees to mitigate traffic generated from the development.	Primarily used for the construction of road and intersection improvements which expands capacity to accommodate additional traffic. Specific uses are expressly prohibited as listed in the Municipal Code * and in the Government Code **.	<ul style="list-style-type: none"> • Alamitos Avenue between Ocean & 7th St. • PCH/Alamitos/Orange Ave. • Iron Triangle Improvement • LBB/San Antonio/Carson
Bonds	Bond covenants		<ul style="list-style-type: none"> • I-605 project • Sidewalks

* CMC 18.17.100(b) – Transportation improvement fees shall not be used for the provision of roadway, parking or transit improvements relating to (i) the needs of existing City residents, (ii) the enhancement of transportation improvements to provide a higher level of service to existing development, (iii) operation and maintenance costs associated with roadway, parking or transit improvements, (iv) repair and/or replacement of existing roadway, parking and transit improvements or (v) the provision of transportation services, as contrasted with transportation improvements.

** GC 65913.8 – Limits on Improvement fees. A fee, charge or other form of payment imposed by a governing body of a local agency for a public capital facility improvement related to a development project may not include an amount for the maintenance or operation of an improvement when the fee, charge, or other form of payment is required to fulfill a condition of the approval.